

MEMORANDUM FOR: Director of Logistics

SUBJECT : Critique of Existing MBO Process - Projected FY 1975
and FY 1976 Division Objectives

1. Per your request, Division evaluations of assigned objectives, the objectives process, and the determination of FY 1975 and FY 1976 Division objectives have been addressed and are discussed in this memorandum.

2. Although MBO has been recently adopted by the Agency, its application in private industry and in some sectors of the Federal establishment has been in use for some time with varying degrees of success. Its implementation in the Agency was expected to be a conditioning process at this initial stage of its use.

3. Division exposure and experience in the application of the MBO process reveals that this learning curve stage of development has been beneficial with respect to formulation of the procedural mechanics of objective definition, objective documentation, determination of quantification yardsticks, objective reporting techniques, action plans, and coordination of Division and Office objectives through scheduled progress briefings with the Director of Logistics. Further experience and learning in the MBO effort may provide the basis for identification of other realistic Division objectives whose accomplishment and measurement of results and benefits are quantifiable and worthy of the effort to be expended.

4. Present Division efforts to plan and cross train 10 engineers and technicians by July 1975 and to develop and implement a human resources productivity measurement system whose results and data will be available by July 1975 have been productive. Both endeavors have evolved from concepts into realistic and operational efforts.

5. In view of the variable and spasmodic nature of Division project taskings, a study of new potential objectives for FY 1975 and FY 1976 has resulted in a conclusion that no additional objectives are feasible at this time. However, the relative progress which has been achieved in the training and human resources productivity measurement objectives has identified additional areas of potential involvement and benefit. These areas of effort would involve the extension of present Division objectives into FY 1975 and FY 1976.

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6. Prior to the determination of the present training objective, the Division had previously implemented an overall master Division training program which would provide for the cross training of all engineers, architects, technicians, and real property officers in a four to eight year time span. The present training objective encompasses cross training for 10 engineers within a one and one-half year period. Only a portion of the total desired cross training is possible within this eighteen month timeframe.

7. In view of the existence of a master Division training plan and a specific quantification of cross training which is desired for all engineers, architects, and technicians, it would be beneficial to extend our cross training objectives to FY 1975 and FY 1976 to include all the above professionals. A measure of results achieved versus the total identifiable cross training appearing in the master training plan would allow us to quantify accomplishment relative to a total long-term objective.

8. The second Division objective presently addresses productivity measurement and identification of human resources distribution in terms of productive, nonproductive, administrative, and technical support for identifiable Agency client and geographic area. The objective is intended to document, through an actual survey system, data indicating a realistic distribution of human resources by July 1974. Such data could then be used to establish, if desired, a basis for Agency client component budgetary planning and funding for Office of Logistics engineering and real property support.

9. In view of the relative efficiencies and benefits to be derived by the Federal government in determining the most advantageous vehicle (in-house Agency or private industry) through which to accomplish engineering projects, it would appear that continuing exploitation and extension of existing productivity measurement would provide the necessary data to make such decisions. Such an objective could develop the basis for determining Agency and Division General and Administrative overhead costs (G&A) which could be compared with those of private industry. A comparative analysis of G&A and technical services costs would help to determine the most beneficial and practical route of project accomplishment.

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Deputy Chief
Real Estate and Construction Division, OL

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Deputy Chief, Real Estate and
Construction Division, OL

EXTENSION

3017

NO.

DATE

18 DEC 1973

TO: (Officer designation, room number, and
building)

DATE

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FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom
to whom. Draw a line across column after each comment.)

1. Director of Logistics
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